

Trends and Pattern of Employment during the Post Globalisation Period in India

ABSTRACT

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ABSTRACT

1. Introduction

The study is in the context of employment during the post-globalisation period in India. Meaning of globalisation in economics refers to the increasing openness of an economy to international trade, capital flows (both portfolio and foreign direct investment), transfer of technology and free movement of labour. Thus “*globalisation means the integration of the economies of the world resulting from free flows of trade, capital, labour, and technology*”. Globalisation, in general, is a process of integration of the domestic economy with the world economy and is a complex phenomenon.

The concept of globalisation was popularised by the **Organisation of Economic Cooperation and Development (OECD)** in the mid-1980s again after the Wars. The organisation has defined globalisation in a very narrow and business-like sense “*any cross border investment by an OECD company outside its country of origin for its benefit is globalisation*”. The OECD had defined globalisation officially, (1995) to “*a shift from a world of distinct national economies to a global economy in which production is internationalised and financial capital flows freely and instantly between countries.*”¹ The official meaning of globalisation for the **World Trade Organisation (WTO)** is movement of the economies of the world towards “*unrestricted cross border movements of goods and services, capital and the labour force.*” Anthony McGrew’s elaboration of this concept illustrates this point, “*globalisation is a process which generates flow and connections, not simply across nation-states and national territorial boundaries, but between global regions, continents and civilizations*”.

India became one of the founding members of the WTO and was obliged to promote the process of globalisation, though its economic reforms started with no such obligations. It is a different thing that India started the process of globalisation right after the reforms 1991.

As a Prime Minister of India in 1985, Mr. Rajiv Gandhi outlined the new trends of economic policy of the Government. The recipe suggested by him was: Improvement in productivity, absorption of modern technology and fuller utilisation of capacity must

¹ As quoted in Andrew Heywood, **Politics**, p.139.

acquire the status of a national campaign. The basic thrust of the New Economic Policy was a greater role for the private sector. The main aim of economic reform was to provide larger scope to the private sector. A number of changes in policy were introduced with regard to industrial licensing, export-import policy, technological up-gradation, fiscal policy, foreign equity capital, removal of controls and restrictions, rationalising and simplifying the system of fiscal and administrative regulation.

During periods of Pre-Globalisation (1981-82 to 1990-91) GDP was recorded as 5.6 per cent in real terms (at price of 2011-12). During the Post-Globalisation in India, average GDP growth rate recorded 6.3 per cent, which is higher than pre-globalisation in India. The average GDP growth rate shows that the India economy has benefited from the policy of globalisation. Under various research studies in the Past from that despite an increase in the GDP in the country, employment in real sense has not increased. Further, the Covid-19 Pandemic has put lots of stress to people income, employment and livelihood. With this background, the present study examines the trends and pattern of employment during the post-gloablisation period using the available secondary data.

2. Objectives of the study are:

- ❖ To explore whether employment has increased during the period of Post-Globalisation in India.
- ❖ To explore what is scenario of employment growth and elasticity of employment during the period of Post-Globalisation in India.
- ❖ To explore, what is scenario of labour participation on the basis of gender and demographic regions.
- ❖ To explore employment scenario and labour migration during the lockdown period of Covid-19 Pandemic.

3. Hypothesis

- ❖ Female LFPRs has declined significantly during the post-globalisation in India.
- ❖ Employment growth and employment elasticity has declined during the post-globalization in India.
- ❖ Informalisation and Casualisation of work and employment has increases during the post-globalisation in India.

4. Methodology

The complete study is based on the Secondary Data, which is in nature of panel data types (time series and cross-sectional data), has been collected from the CSO, NAS, NSSO rounds (Quinquennial Survey), PLFS, RBI, India Economic Survey, Annual Survey of Industries, ILO, World Bank, Books, Journals and Magazines. Data processing done in MS Excel, for employment growth with respect of output of economy, employment growth and employment elasticity calculated.

5. Chapter Plan

The study has been classified into six chapters. First chapter is introduction of the study. The review of literature, objectives, hypothesis is included in chapter I. Chapter second is conceptual and theoretical framework. It discusses major theories of employment and various concepts used in the study. In the third chapter, our research problem was related to the Labour Force Participation Rate, employment rate and unemployment rate of male and female both urban and rural. Fourth chapter deals growth of output and employment, employment elasticity and nature of employment. And fifth chapter explain the economy and employment during outbreak of Covid-19 Pandemic and lockdown in India.

6. Chapter-III

The major study of this Chapter-III is as below:

6.1. The Labour Force Participation Rate

The Labour Force Participation Rate declined significantly during the Post-Globalisation period in India (ILOSTAT 2021) The LFPR of rural male has increased by 1.9 percentage points from 52.6 per cent to 54.5 per cent during 1987-88 to 2018-19 on the basis of CWS and also nominal growth has registered on the basis of UPSS by 0.2 percentage points. During 1987-88 to 2018-19, the LFPR of rural female has declined to large extent from 33.1 per cent to 19.7 per cent during the same period, on usual basis (UPSS) by 13.4 percentage point and rural female LFPR has also has declined on the basis of CWS from 22.9 per cent to 16.7 per cent. The LFPR of urban male has increased from 53.4 per cent to 56.7 per cent on criterion of UPSS; the LFPR of urban male also has increased significantly on CWS, from 52.9 per cent to 56.7per cent during 1987-88 to 2018-19. The

LFPR of urban females has increased on the basis of CWS from 13.1 per cent to 15.6 per cent, while on the basis of UPSS LFPR seems stagnant.

6.2. Work Force Participation Ratio

The Work Force Participation Ratio of all persons has declined 42.3 per cent to 35.3 per cent on criterion of UPSS during 1977-78 to 2018-19. During Pre-Globalisation WFPR of all has declined by 1.1 percentage point from 42.3 per cent to 41.2 per cent (1977-78 to 1983). Post-Globalisation the WFPR of all has declined very large from 42.0 per cent to 35.3 per cent (1993-94 to 2018-19). On the basis of gender WFPR has declined both for male and all female. The WFPR of male has declined from 54.3 per cent to 52.3 per cent, while falls in WFPR of females was very large from 29.7 per cent to 17.6 per cent during 1977-78 to 2018-19. During Post-Globalisation period WFPR of both male and female has declined very large extent, male (urban + rural) WFPR declined from 54.5 per cent to 52.3 per cent, while female (urban + rural) WFPR has declined from 28.6 per cent to 17.6 per cent during 1993-94 to 2018-19. The WFPR of rural male during the post-globalisation has declined from 55.3 per cent to 52.1 per cent (1993-94 to 2018-19) on basis of usual status (ps+ss), while rural female WFPR during same period also has declined very sharply from 32.8 per cent to 19.0 per cent. WFPR of rural male and female on criterion of CWS also has declined during post-globalisation; it was from 53.1 per cent to 49.7 per cent (1993-94 to 2018-19) of rural male, while rural female WFPR on CWS has declined very large from 26.7 per cent to 15.5 per cent during same period. WFPR of urban male during 1977-78 to 2018-19 has increased from 50.8 per cent to 52.7 per cent while WFPR of urban female on usual status (ps+ss) has declined from 15.6 per cent to 14.5 per cent. It has also increased on CWS during 1977-78 to 2018-19. WFPR of urban male has increased from 49.0 per cent to 51.7 per cent, while urban female WFPR has increased from 12.5 per cent to 13.7 per cent.

6.3. Distribution of Employment

6.3.1. Self-Employed

The distribution of rural male in self-employed during the period of pre-globalisation has declined from 62.8 per cent to 57.7 per cent (1977-78 to 1993-94), while during post-globalisation from 1999-2000 to 2018-19 self-employed rural male has increased from 55.0 per cent to 57.4 per cent on usual status (up+ss). Distribution of employed rural

female in self-employed has declined from 62.1 per cent to 58.6 per cent during pre-globalisation and post-globalisation self-employed rural female has increased from 57.3 per cent to 59.6 per cent (1999-2000 to 2018-19) on usual status (ps+ss). Urban male in self-employed during pre and post-globalisation period has declined from 40.4 per cent to 38.7 per cent (1977-78 to 2018-19) on usual status (ps+ss), urban female employment in self-employed also has declined from 49.5 per cent to 34.5 per cent during same period.

6.3.2. Regular Wage/Salaried Employees

Distribution of usually employed (ps+ss) of rural male in regular wage/salaried employees' criterion during pre-globalisation has decreased from 10.6 per cent to 8.5 per cent (1977-78 to 1993-94) and during post-globalisation regular wage/salaried employees in rural has increased from 8.8 per cent to 14.2 per cent (1999-2000 to 2018-19). Employed rural female distribution in regular wage/salaried employees has declined from 2.8 per cent to 2.7 per cent (1977-78 to 1993-94) and during post-globalisation (1999-2000 to 2018-19) regular wage/salaried employees of rural female increased from 3.1 per cent to 11.0 per cent on usual status (ps+ss). Urban male and female employment on basis of regular wage/salaried employees both has increased 46.4 per cent to 47.2 per cent of urban male and 24.9 per cent to 54.7 per cent of urban female during pre and post-globalisation period (1977-78 to 2018-19) on usual status (ps+ss).

6.3.3. Casual Labour Work

Employed in casual labour work of rural male increased during pre-globalisation from 26.6 per cent to 33.8 per cent (1977-78 to 1993-94) and during post-globalisation casual labour work of rural male has declined from 36.2 per cent to 28.3 per cent. Employment of rural female in casual labour work also has declined during pre and post-globalisation 35.1 per cent to 29.3 per cent (1977-78 to 2018-19) on usual status (ps+ss). In casual labour work urban male on usual status (ps+ss) has increased from 13.2 per cent to 15.1 per cent during pre and post-globalisation period (1977-78 to 2018-19), while urban female on usual status (ps+ss) in casual labour work has declined from 25.6 per cent to 10.7 per cent during same period.

6.4. Distribution of Employment in Broad Industries

6.4.1. Employment in Primary Sector

The Distribution of employment in broad industries, i.e. agriculture, livestock, forestry and in fishing on usually employed (ps+ss), rural male has declined sharply from 80.6 per cent to 53.2 per cent during pre and post-globalisation (1977-78 to 2018-19), while employment of rural female also has declined on usual status (ps+ss) from 88.1 per cent to 71.1 per cent during same period. The employment of urban male and female in agriculture, livestock, and forestry and in fishing has declined also from 10.6 per cent to 4.9 per cent and 31.9 per cent to 7.8 per cent respectively of urban male and female on usual status (ps+ss).

6.4.2. Employment in Secondary Sector

In manufacturing industries, employment of rural male and female has increased from 6.4 per cent to 7.3 per cent and 5.9 per cent to 9.0 per cent respectively during pre and post-globalisation period on usual status (ps+ss). And, Employment of urban male and female in manufacturing industries has declined of both, from 27.6 per cent to 21.9 per cent and 29.6 per cent to 12.8 per cent respectively during 1977-78 to 2018-19 on basis of usual status (ps+ss).

6.4.3. Employment in Service Sector

Employment in construction work of rural male and female on usual status (ps+ss) during pre-globalisation period (1977-78 to 1993-94) increased from 1.7 per cent to 3.2 per cent and 0.6 per cent to 0.9 per cent respectively of both male and female and during post-globalisation period (1993-94 to 2018-19). Employment increased very significantly from 3.2 per cent to 15.4 per cent of rural male and from 0.9 per cent to 6.0 per cent of rural female respectively. Employment of urban male and female in construction work during the pre-globalisation period (1977-78 to 2018-19) also has increased from 4.2 per cent to 6.9 per cent urban male and from 2.2 per cent to 4.1 per cent of urban female respectively and during the post-globalisation period of 1993-94 to 2018-19 employment increased very significantly from 6.9 per cent to 11.6 per cent of urban male while urban female employment in construction work was stagnant.

Employment of rural male and female in transport, storage and communication, rural male employment increased during pre-globalisation period (1977-78 to 1993-94) from 1.2

per cent to 2.2 per cent, employment of rural female in transport, storage and communication was registered very low 0.1 per cent which was stagnant during same period. During the post-globalisation period from 1993-94 to 2018-19, employment of rural male has increased significantly from 2.2 per cent to 5.4 per cent, rural female increased but it was very negligible 0.2 per cent in these services. During the period of pre-globalisation (1977-78 to 2018-19) urban male and female in work of transport, storage and communication has declined from 9.8 per cent to 9.7 per cent of urban male while employment of urban female increased from 1.0 per cent to 1.3 per cent. During period of post-globalisation (1993-94 to 2018-19) significant growth has registered in employment of both urban male and female, from 9.7 per cent to 12.2 per cent and from 1.3 per cent to 3.6 per cent respectively.

Employment in other services of rural male and female has increased during the period of pre-globalisation (1977-78 to 2018-19) from 5.3 per cent to 7.0 per cent of rural male and from 3.0 per cent to 3.4 per cent of rural female respectively. During the period of post-globalisation (1993-94 to 2018-19) employment in other services has increased of both rural male and female, from 7.0 per cent to 8.0 per cent of rural male and from 3.4 per cent to 9.1 per cent of rural female. Employment in other services of urban male and female has increased during the period of pre-globalisation (1977-78 to 1993-94) from 24.3 per cent to 26.4 per cent of urban male and from 26.0 per cent to 35.0 per cent of urban female. During the period of post-globalisation (1993-94 to 2018-19) employment of urban male in other services has declined very large from 26.4 per cent to 22.3 per cent while employment of urban female in other services has increased very significantly from 35.0 per cent to 45.6 per cent.

6.5. Unemployment Rate

Unemployment rate of rural male during the period of pre-globalisation (1977-78 to 1993-94) has increased from 1.3 per cent to 1.4 per cent, while unemployment rate of rural female has declined during same period from 2.0 per cent to 0.9 per cent on usual status (adjusted or ps+ss). While on CWS unemployment of both has declined from 3.6 per cent to 3.1 per cent of rural male and from 4.1 per cent to 2.9 per cent of rural females during the same period. During the period of post-globalisation (1993-94 to 2018-19) unemployment rate of rural male has increased on both criterion of usual status (ps+ss) and CWS, from 1.4 per cent to 3.1 per cent and from 3.1 per cent to 4.8 per cent respectively. While the unemployment rate of rural females has declined on both criteria of usual status

(ps+ss) and CWS from 0.9 per cent to 0.7 per cent and from 2.9 per cent to 1.2 per cent respectively. Unemployment rate of urban male and female has declined on both criterion of usual status (ps+ss) and CWS during the pre-globalisation period of 1997-78 to 1993-94 from 5.4 per cent to 4.1 per cent of urban male on basis of usual status (ps+ss) and from 7.1 per cent to 5.2 per cent on criterion of CWS, and urban female unemployment has declined from 12.4 per cent to 6.1 per cent on usual status (ps+ss) and from 10.9 per cent to 7.9 per cent on criterion of CWS during the same period. During the period of post-globalisation (1993-94 to 2018-19) the unemployment rate of urban male and female has also declined on both criterion of usual status (ps+ss) and CWS. Unemployment rate of urban male has declined from 4.1 per cent to 4.0 per cent on usual status (ps+ss) and from 5.2 per cent to 5.0 per cent on criterion of CWS respectively, and urban female unemployment rate has declined from 6.1 per cent to 1.6 per cent on usual status (ps+ss), and from 7.9 per cent to 1.9 per cent on criterion of CWS respectively.

6.5.1. Unemployment Rate Among Educated

Unemployment rate among educated (secondary and above) during pre-globalisation (1987-88) was 7.4 per cent of rural male on usual status (ps+ss) has registered, while rural female unemployment rate registered 24.1 per cent among educated (secondary and above). During period of post-globalisation (1993-94 to 2018-19) unemployment rate among educated has increased from 6.5 per cent to 10.1 per cent of rural male on criterion of usual status (ps+ss), and rural female unemployment rate also has increased from 16.0 per cent to 16.6 per cent during same period. Unemployment rate among educated (secondary and above) of urban male and female during pre-globalisation (1987-88) has registered to 7.2 per cent of urban male and 17.8 per cent of urban female on criterion of usual status (ps+ss). During the period of post-globalisation (1993-94 to 2018-19), unemployment rate among educated (secondary and above) of urban male also has increased from 6.0 per cent to 9.2 per cent, while urban female unemployment rate among educated has declined from 17.8 per cent to 17.6 per cent during the same period.

7. Chapter-IV

In the fourth chapter, our research problem was related with growth of GDP, India foreign trade balance, sectoral share of GVA and employment, employment growth and employment elasticity. The major study of this Chapter-IV is as below:

7.1. Growth of Economy and Foreign Trade Balance of India

The growth rate during pre-globalisation in India peaked at 9.6 per cent recorded in the year of 1988-89 at constant price (2011-12), during the period of pre-globalisation (1981-82 to 1990-91) decadal growth rate registered by 5.53 per cent. The decadal growth rate of GDP during post-globalisation during first decades of globalisation from 1991-92 to 2000-01 was 6.3 per cent, in second decades from 2001-02 to 2009-10 growth was 7.1 per cent, and in third decades of 2011-12 to 2020-21, 6.0 per cent has registered. India trade balance during the period of pre-globalisation in 1981-82, was -5802 crores, which during the eve of globalisation has reached to -10635 crores. During post-globalisation of one decade during 2001-02, the trade balance has further has widen to -36182 crores and after two decades during 2011-12, the trade balance has also widen to -540545 crores, during 2019-20, trade balance of India was reached to -1137529 crores.

7.2. Share of GVA and Employment of Primary, Secondary and Tertiary Sector

During the period of pre-globalisation (1981-82), the share of the primary sector in total GVA in real terms was 46.5 per cent and employment share was 70.0 per cent. Share of secondary in total GVA during the same period was 14.6 per cent and the share of employment was 10.5 per cent registered. The share of Tertiary Sector in total GVA was 42.4 per cent and in employment was 19.5 per cent during the same period. In comparison, to other sectors (secondary and tertiary sector) the primary sector has provided more employment than its share of GVA. During 1990-91, the share of the primary sector in total GVA has declined by 5.8 percentage points and the share of employment of the primary sector also has decreased by 4.7 percentage points during 1981-82 to 1990-91. After decades of Globalisation from 1991-92 to 2011-12, the share of the primary sector in total GVA has decreased significantly by 17.9 percentage points. The share of GVA was 39.6 per cent in 1991-92 which declined to 21.7 per cent in 2011-12. The share of GVA of the primary sector further decreased to 17.3 per cent in 2018-19. The share of employment, on the other hand, declined by 16.7 percentage points during the same period of the primary sector, the share of employment further decreased to 41.7 per cent in 2018-19.

Share of employment in the Secondary sector was 10.6 per cent during 1991-92, which increased to 11.8 in 2011-12. The share of employment in the secondary sector declined to 11.2 per cent in 2018-19. The share of the Tertiary sector during the period of 1991-92 to 2011-12 increased significantly by 15.5 percentage points. The share of employment in the

tertiary sector was 24.3 per cent in 1991-92, which increased to 39.8 per cent in 2011-12. The share of employment in the service sector has further increased to 47.2 per cent in 2018-19.

7.3. Decadal Growth of GVA and Employment

During pre-Globalisation period of 1981-82 to 1990-91, decadal growth of GVA was 5.35 per cent registered and during second decade (2001-02 to 2010-11) further growth in GVA has registered and GVA increased to 7.02 per cent and in third decades Post-Globalisation during 2011-12 to 2020-21 growth in GVA has declined by 1.16 percentage points and decadal growth was 5.86 per cent. However, during the period of (1981-82 to 1990-91) decadal growth of employment Pre-Globalisation was 1.50 per cent. Post-Globalisation during the first decades (1991-92 to 2001-02), growth of employment has decreased to 1.07 per cent, and employment growth has further declined to 0.34 per cent in the second decade (Post-Globalisation) during the period of 2001-02 to 2010-11. Growth of employment has registered negative in the third decades of Post-Globalisation to -5.60 per cent (2011-12 to 2020-21). Long-term or decadal elasticity of employment has declined continuously. During Pre-Globalisation the elasticity of employment was 0.28 per cent, which means opportunity of employment growth was 0.28 per cent with 1.0 per cent growth of GVA. Employment elasticity declined to a very extent during the first decades of Post-Globalisation (1991-92 to 2000-01) to 0.17 per cent. In the second decades of Post-Globalisation during 2001-02 to 2010-11 employment elasticity further declined to 0.05 per cent. The employment opportunity has declined by 0.12 percentage point during 2001-02 to 2010-11. In the third decade during 2011-12 to 2020-21 employment opportunity has registered negative by -0.96 per cent.

7.4. Elasticity of Employment

The employment elasticity during 1972-73 to 1977-78 was 0.58 per cent of all sectors of economic activity. Manufacturing sector has registered with very high employment elasticity by 1.02 per cent, in tertiary sector; employment elasticity was 0.99 per cent, while employment elasticity in primary sector was 0.45 per cent.

Post-Globalisation, employment elasticity has decreased very significantly in all sectors and economic activities. The total employment elasticity during 1993-94 to 1999-2000 has registered only 0.18 per cent. The employment elasticity in primary sector has registered 0.02 per cent, while employment elasticity in manufacturing sector was 0.01 per cent and

tertiary sector also has experienced low employment elasticity by 0.44 per cent. The employment elasticity has increased in primary sector to 0.69 per cent during 1999-2000 to 2004-05, employment elasticity has registered 1.27 per cent in the manufacturing sector and employment elasticity in tertiary sector was 0.65 per cent and most of growth has registered in financial services 1.11 per cent during same period. Employment elasticity has declined very sharply during 2004-05 to 2009-10 of all sectors to 0.05 per cent from 0.45 per cent from the previous report of NSS. The primary sector has evidence with negative employment elasticity -0.70 per cent employment elasticity in the manufacturing sector was 0.42 per cent, while in tertiary sector it was 0.49 per cent. Activity in construction work has registered high employment elasticity 1.0 per cent. During 2009-10 to 2011-12 total employment elasticity increased to 0.13 per cent from previous NSS period, by economic activities, negative employment elasticity has registered in primary sector -0.33 per cent, employment elasticity in manufacturing sector was 0.74 per cent, and in tertiary sector it was 0.61 per cent, a very significant growth in the work of construction and financial services has registered by 1.06 per cent and 1.10 per cent respectively, while negative growth in public administration and defence has further evidenced -0.46 per cent. Elasticity of employment during 2011-12 to 2017-18 has registered with negative sign - 0.04 per cent. Elasticity of employment in the primary sector was -0.64 per cent and in the manufacturing sector it was -0.39 per cent. The elasticity of employment in the tertiary sector was 0.26 per cent.

7.5. Share and Nature of Employment in Organised and Unorganised Sector

The share of employment in organised manufacturing sector was 28.4 per cent during 2004-05, and it has increased to 34.6 per cent with 6.2 percentage point of growth in 2011-12, while employment in organised manufacturing sector has declined to 32.0 per cent during 2017-18. Employment share in the unorganised manufacturing sector was 71.6 per cent during 2004-05. It has declined in 2011-12 by 6.2 percentage points while employment share in the unorganised manufacturing sector has increased to 68.0 per cent during 2017-18. Informal employment during 2004-05 was 89.6 per cent registered in the manufacturing sector, while formal employment share was 10.4 per cent. During 2011-12 formal employment registered 10.9 per cent in the manufacturing sector while in the same sector during the same period informal employment was 89.1 per cent registered, and during 2017-18 it has declined to 84.6 per cent and formal employment has registered with 4.5 per cent.

Share of employment in organised service sector was 27.5 per cent and share of unorganised service sector was 72.5 per cent registered during 2004-05. The share of employment of organised service sector has increased to 31.7 per cent during 2011-12 while unorganised service sector share in employment has declined to 68.3 per cent and during 2017-18 the share of organised service sector in employment was 29.9 per cent, while share of unorganised service sector in employment was 70.1 per cent. In types of employment formal and informal, the share of the service sector in formal employment was 19.2 per cent, while the share of informal employment in the service sector was 80.8 per cent during the 2004-05. The share of formal employment of services sector has increases to 19.9 per cent and share of informal employment in service sector was 80.0 per cent and employment share of service sector of formal was 21.5 per cent during 2017-18, while informal employment share of service sector was 78.5 per cent has registered.

Employment share of non-manufacturing organised sector was 31.2 per cent while unorganised non-manufacturing sector share was 68.8 per cent registered during 2004-05. The share of organised non-manufacturing sector in employment increased to 40.4 per cent during 2011-12, while share of unorganised non-manufacturing sector in employment has declined to 59.6 per cent, and during 2017-19, share of organised non-manufacturing sector in employment has declined very large from 40.4 per cent to 26.2 per cent, while unorganised non-manufacturing sector in employment has increased very largely from 59.6 per cent to 73.8 per cent. In types of employment, non-manufacturing sector share of formal employment during 2004-05 was 7.2 per cent, while informal employment share has registered to 92.8 per cent. Formal employment of non-manufacturing sector has declined to 5.3 per cent during 2011-12, while informal employment in non-manufacturing sector has increased to 94.7 per cent during same period and share of formal employment of non-manufacturing sector during 2017-18 has further declined to 5.2 per cent and informal employment in non-manufacturing sector has increased to 94.8 per cent during same period.

8. Chapter-V

In the fifth chapter, our research problem was related to the impact of Covid-19 Pandemic on GDP, employment and nature and condition of work during the period of pre-globalisation to the outbreak of Covid-19 Pandemic and issues of migrant workers. The major study of this Chapter-V is as below:

8.1. Growth of GVA during Covid-19 Pandemic and Lockdown

There was a progressive deterioration of both GDP and employment before the country was in the grip of the Covid-19 Pandemic Outbreak. For instance, the GDP growth rate in real terms (at constant price 2011-12), has continuously been on a declining path for eight quarters, from Q1 of 2018-19 to 2019-20. The official estimates show the decline was from about 7.6 per cent to 3.0 per cent over this period. The demonetisation of 2016 announced by the Prime Minister on 8th November 2016 and implementation of Good and Service Tax (GST) in July 2017 were the immediate shocks and awe that contributed to dramatic disruption in the Indian economy, its result in the worsening of most of the macroeconomic indicators. The worsening combined result of both demonetisation and tax reform of goods and services, the economy has continuously been on a declining path for three quarters, from Q3 of 2016-17 to 2017-18. The official estimates show the decline was from about 6.3 per cent to 5.3 per cent over this period.

The official estimate of GDP during 2020-21 shows that economic growth was in negative figure by -24.4 per cent, during the first lockdown. The economy has revived to a very extent in the second quarter, which is a V-shape curve. The official estimate of the economy during the second quarter was also in negative figure -7.4 per cent. In the second phase of lockdown during 2021-22, Q1 of the GDP growth also has been affected and growth rate has changed from Q1 of 2021-22 to Q2 of 2021-22, (20.1 per cent to 8.4 per cent). Most of the shock on the economy was seen during the first lockdown in the economy of all sectors. The performance of the agriculture sector during Covid-19 and lockdown was positive, with a growth rate of 3.5 per cent to 3.0 per cent in Q1 and Q2 of 2020-21 respectively. In the second phase of lockdown in Q1 2021-22, growth was 4.5 per cent. Agriculture sector was one of the sectors which have registered positive growth during this phase of lockdown. The growth rate of the manufacturing sector from Q2 of 2018-19 to Q4 of 2019-20 pre-Covid-19 Pandemic and lockdown has declined very drastically, as per official estimates fall was from 5.2 per cent to 4.2 per cent. During the phase of the first lockdown, growth of the manufacturing sector has declined to -36.0 per cent. The manufacturing sector has revived in the V-shape curve and in the second

lockdown phase further this sector growth rate has declined sharply from Q1 of 2021-22 to Q2 of 2021-22, (49.6 per cent to 5.5 per cent), as per official data.

The growth rate of the service sector of electricity, gas, water supply and other utility services has declined from Q4 of 2017-18 to Q1 2020-21. As per official estimates growth has declined from 11.2 per cent to -9.9 per cent. During the period of Covid-19 and lockdown the growth rate of electricity, gas, water supply and other utility services has declined from 2.6 per cent to -9.9 per cent (Q4 of 2019-20 to Q1 2020-21), and in second phase of Covid-19 lockdown during Q1 of 2021-22, growth was declined from 14.3 per cent to 8.9 per cent.

Growth rate in the construction sector declined for the first time, during the announcement of demonetisation, 2016. In 2016-17, the growth rate of this sector, as per the official estimate, declined from 7.4 per cent to 0.4 per cent (Q3 of 2016-17 to Q1 of 2017-18). And pre-Covid-19 and lockdown further continuous falls in growth rate was registered during the period of, Q1 of 2018-19 to Q4 of 2019-20 (from 6.6 per cent to 0.7 per cent). As per official estimates the growth rate of construction has declined from 6.6 per cent to 0.7 per cent. During Covid-19 and lockdown, the construction sector has declined to -49.5 per cent Q1 of 2020-21, and after, lockdown of the first phase, construction has revived with growth of V-shape, in Q2 of 2020-21. During the second phase of lockdown its impact on construction sector growth is visible. The growth rate of the construction sector has declined to 7.5 per cent in Q2 of 2021-22 from Q1 of 2021-22 (68.3 per cent).

The growth rate of trade, hotels, transport, communication and services related to broadcasting, in real terms (at constant price of 2011-12) during the pre-Covid-19 Pandemic and lockdown has registered declining trends from Q1 of 2016-17. The decline was from 9.4 per cent to 6.0 per cent (Q1 of 2016-17 to Q4 of 2016-17), and after this growth rate of this sector has declined continuously from Q2 of 2017-18 to Q4 of 2019-20. As per official estimates, the fall was from 10.7 per cent to 5.7 per cent, decline of 5.0 per cent point. During the period of Covid-19 and lockdown, the growth rate of this sector has declined to -48.01 per cent Q1 of 2020-21 and in Q2 of 2020-21 this sector has revived with a V-shaped curve and growth rate of this sector has registered to -16.1 per cent. In the second trench of Covid-19 lockdown during 2021-22, in Q1, growth rate of this sector has further declined very sharply from 34.3 per cent to 8.2 per cent.

The Growth of financial, real-estate and professional service was on a declining path during pre-Covid-19 Pandemic and lockdown. The growth of this sector has declined from Q3 of 2019-20 to Q4 of 2019-20, before the lockdown, as per official estimate the fall was from 5.5 per cent to 4.9 per cent at pre-Covid-19 Pandemic. During the period of Covid-19 and lockdown, growth rate of this sector has declined from 4.9 per cent to -5.0 per cent, in Q4 of 2019-20 to Q1 of 2020-21, and further growth has declined to -9.1 per cent in Q2 of 2020-21. This sector also has revives with V-shaped in next quarter. And before the second phase of Covid-19 and lockdown growth of this sector has registered a declining trend continuously. The growth rate of this sector has declined to a very large, and extent after the announcement of demonetisation. Highest growth was registered in this sector was in Q4 of 2016-17 by 14.9 per cent. In this sector a high fluctuation has registered in each financial year. During the pre-covid-19 and lockdown, this sector was on a positive growth rate from Q2 of 2019-20 to Q4 of 2019-20, as per official estimates the growth rate was from 8.8 per cent to 9.6 per cent during this period. During the Covid-19 and lockdown growth rate of this sector has declined to a great extent from 9.6 per cent to -10.2 per cent in Q4 of 2019-20 to Q1 2020-21. Post Covid-19 and lockdown growth in this sector has registered continuously, and in the second phase of Covid-19 and lockdown growth rate was on a positive path. During the second phase of lockdown, the growth rate of this sector was registered by 17.4 per cent from 5.8 per cent, in Q1 of 2021-22 to Q2 2021-22. The revival and growth of this sector was very positive for all sectors.

8.2. Employment during Covid-19 Pandemic and Lockdown

The labour force participation rate in the Indian labour market was continuously on a declining path since adoption of New Economic Policy in 1991-92. As per official estimate from ILOSTAT, during the period of 1991 to 2019 the labour force participation has declined from 58.39 per cent to 49.34 per cent. As per official estimates of ILOSTAT during 2020, the LFPR of India has declined by 3.0 per cent point from 49.3 per cent in 2019 to 46.3 per cent in 2020. The quarterly estimates show that during the pre-Covid-19, the LFPR in Q1 of 2016-17 was 47.4 per cent. The LFPR has declined in Q4 of 2016-17 from Q1 of 2016-17, to 44.6 per cent. The trend of declining was continuous to Q4 of 2019-20 from Q1 of 2016-17, as per estimated fall was from 47.4 per cent to 42.5 per cent. During the period of Covid-19 and lockdown the labour force participation ratio has declined to 38.1 per cent in Q1 of 2020-21 from Q4 of 2019-20, the labour force participation ratio has revived in the next quarter of Q2 of 2020-21, from 38.1 per cent in

Q1 of 2020-21 to 40.8 per cent and in Q3 and Q4 of 2020-21 the labour force participation ratio was 40.4 per cent in both quarters.

As per estimated worker population ratio based on data of CMIE, long run growth of WPR has been on declining trends. Pre Covid-19 in Q4 of 2019-20, the WPR has registered to 33.3 per cent a very short fall from Q3 of 2019-20. During the period of Covid-19 and lockdown the WPR has declined a greatly extent in Q1 of 2020-21, from 33.3 per cent to 24.5 per cent, Q4 of 2019-20 to Q1 of 2020-21 by 8.8 per cent point.

The unemployment rate in the Indian labour market has been on an increasing trend. The lowest unemployment rate was registered during pre Covid-19 Pandemic and lockdown in Q2 of 2017-18 by 4.0 per cent. After Q2 of 2017-18, the unemployment rate in India labour market increased continuously at pre Covid-19 and lockdown Q4 of 2019-20, and it was recorded 7.9 per cent. During the period of Covid-19 and lockdown, the unemployment rate was recorded at 18.5 per cent, and in the second phase of Covid-19 and lockdown, the unemployment rate was 9.7 per cent. The long run trend line shows that the unemployment rate in the Indian labour market has increased continuously.

8.3. Nature of Employment (Formal and Informal)

There has been a distinct and sharp trend of informalisation in the Indian labour market. During 2009-10 to 2011-12, close to 57.0 per cent of the workforce in the formal/organised sector was shared in informal workers, which in 1999-2000 was 38 per cent and in 2004-05 was 47 per cent. This trend is further reiterated by the most recent Periodic Labour Force Survey (PLFS), 2019-20. Among the regular wage/salaried employees, 59.1 per cent has no written job contracts in 2004-05, and this numbers has increased to 67.3 per cent by 2019-20. As regarding provision of paid leaves and the incidence of employees not covered increased from 46.2 per cent to 52.3 per cent over the same period.

8.4. Migration in India

The latest government data available on migration (all migrants, labour and non labour) from the Census of 2011. As per the Census 2011, there were 45.6 crores migrants (38 per cent of the population), compared to the Census 2001, 31.5 crores migrants (31 per cent of the population). Between the periods of 2001 to 2011, the population grew by 18 per cent, while the numbers of migrants increased by 45 per cent. The Census 2011 revealed that out of total migrants, internal migrants is about 99 per cent. The Census 2011 shows that there

are about 21 crores migrants, rural to rural, which formed about 54 per cent of internal migration. The migration from rural to urban and urban to urban, accounted, around 8 crores. There were around 3 crores migrants from urban to rural, which formed around 7 per cent of classifiable internal migration (Census 2011).

According to the Census 2011, there were about 5.4 per cent migrations of people constituting the inter-state. According to Census 2011, Uttar Pradesh and Bihar share the largest source of inter-state migrants, while Maharashtra and Delhi State were the largest place receivers of the migrants. As per Census 2011, around 83 lakhs of residents of Uttar Pradesh and about 63 lakhs residents of Bihar had migrated either temporarily or permanently to the other states. As per Census 2011, around 60 lakhs of people from all states of India had migrated to Maharashtra. The Distribution of migrants according to the Census of India 2011, (distribution of migrants to the total population across cities) were, Delhi 43.0 per cent, Mumbai, 54.9 per cent, Kolkata 40.8 per cent, Chennai 51.8 per cent, Bangalore 52.3 per cent, Hyderabad 64.3 per cent, Ahmedabad 48.7 per cent and Pune 64.8 per cent.

8.5. Reverse Migration in India during Covid-19 Pandemic and Lockdown

During the period of lockdown, several inter-state migrant workers have started reverse migration to their native place, in absence of saving, food security, and social security, due to Covid-19 and lockdown. The Indian government has never collected data on the deaths of internal migrants, during their reverse migration and their job losses (Paliath, 2021).

8.6. Government Initiatives during Covid-19 Pandemic and Lockdown

During the period of lockdown, on March 28, the central government authorised the state to use the State Disaster Response Fund to provide accommodation to travelling migrants. The states were advised to set up relief camps for migrants along highways, with facilities of medical care to ensure people stay in these camps during lockdown.

On 1st May 2020, the Indian Railways resumed their services for passenger movement, with Shramik Special trains to facilitate movement of migrants. During the lockdown period, the Indian Railways operated 4,197 Shramik trains in the period of 1st May to 3rd June 2020, transporting more than 58 lakhs of migrants. On 1st April 2020, the Ministry of Health and Family Affairs directed the state government to operate relief camps for migrants with arrangements of food, sanitation and medical facilities. On 14th May 2020,

the Finance Minister announced that under the second tranche of the Atma Nirbhar Bharat Abhiyan, free food grains would be provided to migrant workers who do not have a ration card for two months.

The Atma Nirbhar Bharat Abhiyaan has also launched a scheme for Affordable Rental Housing Complexes for migrant workers and for Urban Poor to provide affordable rental housing units under the Pradhan Mantri Awas Yojana. During the time of lockdown, some state governments announced one-time cash transfers for returning migrant workers; these states were Bihar, Rajasthan, and Madhya Pradesh and Uttar Pradesh Government these have announced the provision of maintenance allowance of Rs. 1,000 for returning migrants, who were required to quarantine (prs, 2020).

8.7. Guidelines and Order of the Supreme Court during Covid-19 Pandemic and Lockdown

The Supreme Court of India has issued an order on 26th May 2020, to the central and state/UT government to submit a response detail, about all measures, which has been taken by the respective government for migrant workers. It has provided interim direction, on 28th May 2020 to the central and state/UT governments for ensuring relief to migrant workers. That is: (i) no train or bus fare should be charged to migrant workers, (ii) free food should be provided to stranded migrants by the concerned State/UT government during time of lockdown, (iii) State/UT should simplify and speed-up the process of registration of migrants workers for transport, and those has registered should be provide them transportation at the earliest, and (iv) the State/UT are receiving the migrants should provide them last-mile transport, health screening and other facilities at free of cost. The Supreme Court has also directed to the State/UT government to consider withdrawal of prosecution/complaints under the Section 51 of Disaster Management Act filed against the migrant workers who has allegedly violated the order of lockdown, which announced by the Central Government in fear of Covid-19 virus, that this situation is a pandemic and disaster.

9. Conclusion

During the period of post-globalisation, economic growth has increased in average from the pre-economic reform period to the post reform period. Labour force participation ratio during economic reform period and globalisation on the basis of demographic analysis has

decreased for rural females in comparison to urban females on the basis of both criteria of usual status (ps+ss) and current weekly status. The labour force participation ratio of rural male has registered almost constant. Labour force participation ratio of urban male has increased during economic reform and post-globalisation period and for urban female, it has decreased. Employment by categories of self-employed, all persons were employed on average more than 55.0 per cent. In the category of casual labour work, all-India employment has registered on average around 30.0 per cent and in regular wage/salaried employees, workers on average employed by 10.0 per cent.

The agriculture sector is one of the sectors which have provided highest employment to rural male and female, while rural female has employed more than 70.0 per cent in agriculture and allied activities and rural male employed on average 55.0 per cent. Employment has continued to decrease in this sector. Urban females employed in this sector on average 10.0 per cent, employment also has decreased in this sector of both urban male and female. Urban females are also employed more than urban male in this sector. Manufacturing sector is second after agriculture and allied which has provided highest employment, growth in employment has declined after 2011-12 for both urban male and female, while urban male employed more than urban female. In rural male and female, growth has registered in employment of both. Employment in the service sector has registered with continuous growth in both rural male, female and urban male and female. Urban male were more employed than urban females and also rural male employed more than rural females in this sector.

The economy is the fastest growing economy in the world, while the economy is still suffering from the damaging effects of the policy-induced informality in the workforce after globalisation. The slow pace of growth over 1950 to 1980, was combined with a pattern of growth that heavily dependent upon a heavy-industry and first strategy plus reservation of products for small firms, led to massive undergrowth of millions of unregistered firms, which has employed workers in conditions of work and wages characterise of informal firms. The labour laws too many of them only applicable to the organised and registered firms. These factors undercut the demand for workers in the formal or in the organised sector. The supply-side factor that most reinforced these conditions was the low investment in schooling by the state, resulting in the poor educational level of the workforce, who was only employable in the informal economy. However, a number of positive developments have taken place in the nature of work since

the pace of GDP growth which has picked up the Indian economy since 1991. First, after 2004 and onwards, the absolute numbers in agriculture began to fall as non-agricultural growth has picked up. Earlier, fewer persons were engaged in agriculture work during 2011-12 compared to the number in 2004-5, first in the economic history of India. During the second half of the decade there has been a remarkable and historic shift in rural wages, partly due to the spillover effect of MGNREGA, on the one hand, and shortage of labour partly due to higher participation in education, that has forced the farmers to lead mechanisation of farm activity. In addition, rising demand for labour from the construction sector, both in rural and urban areas, with relatively higher wages also partly explains the absolute fall in agricultural employment post-2005.

All these positive factors do tend to temper the disadvantages of informality in the Indian economy of growing workforce. If the state initiates efforts as early as possible to provide social security protection coverage to the poor among the unorganised segment workers, informal workers, this process will constitute a huge gain for the realisation of the rights of workers.

The economy of India is on a declining path during the pre Covid-19 pandemic and lockdown. Sectoral growth rate of all except agriculture sector and construction sector change during pre Covid-19 was on a declining path. During the period of lockdown only the agriculture sector has registered a positive growth. During the period of Covid-19 and lockdown, the LFPR has declined to a large extent. The unemployment rate was on an increasing path during the pre covid-19 pandemic and lockdown. It started to increase trends from Q3 of 2017-18 till announcement of lockdown during the Covid-19 pandemic. All these discussions reveal that the economy and labour market was already in worse condition and this Covid-19 pandemic and lockdown has multiplied this worsening condition in the Indian economy and in the labour market.

The COVID-19 pandemic has caused a severe impact in many countries, particularly in developing ones. According to the World Economic Situation and Prospects as of mid-2021, this global crisis has “clearly worsened poverty and within-country inequality”, and it is expected that “will leave long-lasting scars in labour markets, while reversing progress on poverty and income inequality in many economies.” The context in India in this sense is very complex. As per the reports from a study, it was found that the highest number of COVID-19 cases as of 13th April 2020 was reported in Delhi with 898 cases followed by Mumbai with 880.

The involuntary and forced nature of reverse migration due to the sudden lockdown, with lack of preparedness and planning by the Central Government, and irresponsible behaviour of the employers and social hostility against the migrants. The lack of migrant data and registration in welfare schemes excluded most of them from the relief package benefits announced by the Central and State/UT Government. COVID-19 crisis has magnified several pre-existing problems faced by the migrants, which led them to suffer invariably at different stages of their reverse migration.

10. Recommendations and Policy Implication of the Research Findings

It is found in analysis of study that economy has registered a very positive growth in the post globalisation phase. The main focus of this study was in the context of employment. It is found that during the period of Post-Globalisation decent work condition neglected in labour market and informalisation of work has increased. During Covid-19 Pandemic it is witnessed that thousands of workers get affected as they could not avail job and social security and pushed to survive on the government relief package. The major recommendations are:

1. The Government must ensure a minimum universal social security for informal and migrant workers.
2. Government must issue proper guidelines and policy for workers for a good and safe workplace specially for female workers.
3. There need to create a job market by Government for low skilled workers, which can ensure them to minimum earning for their minimum standard of living.
4. Policies should also focus to protect workers in labour market, which can ensure to all informal worker, social security and job security. Larger allocation of fund under MGNREGA is needed specially in the backward districts of the country. There is also a need of creating adequate employment opportunities both self-employment and wage employment in the rural areas.